

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
Land Division  
Honolulu, Hawaii 96813

October 24, 2008

Board of Land and Natural Resources  
State of Hawaii  
Honolulu, Hawaii

PSF No.: 08HD-139

HAWAII

Termination of Revocable Permit No. S-7425 to Skynet Hawaii, LLC; Issuance of Revocable Permit to Mahalo Broadcasting, LLC, Kalaoa, North Kona, Hawaii, Tax Map Key: 3<sup>rd</sup>/ 7-3-49: 38

APPLICANT:

MAHALO BROADCASTING, LLC, whose business and mailing address is 74-5605 Luhia Street, Suite #B-7, Kailua-Kona, Hawaii 96740.

LEGAL REFERENCE:

Sections 171-13 and -55, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands at Kalaoa, North Kona, Hawaii, identified by Tax Map Key: 3<sup>rd</sup>/ 7-3-49: 38, as shown on the attached map labeled Exhibit A.

AREA:

4.00 acres, more or less.

ZONING:

State Land Use District:	Conservation
County of Hawaii CZO:	Open

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: NO

CURRENT USE STATUS:

Encumbered by Revocable Permit No. S-7425, Skynet Hawaii, LLC, Permittee, for radio tower and accessory building site purposes.

CHARACTER OF USE:

Radio tower for synchronous transmission and accessory building site purposes.

COMMENCEMENT DATE:

The first day of the month to be determined by the Chairperson.

MONTHLY RENTAL:

To be determined by staff appraiser, subject to review and approval by the Chairperson.

COLLATERAL SECURITY DEPOSIT:

Twice the monthly rental.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with the "Division of Land Management's Environmental Impact Statement Exemption List", approved by the Environmental Council and dated April 28, 1986, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1, that states " Operations, repairs, or maintenance of existing structures, facilities, equipment, or topographical features, involving negligible or no expansion of change of use beyond that previously existing."

DCCA VERIFICATION:

Place of business registration confirmed:	YES <u>x</u>	NO
Registered business name confirmed:	YES <u>x</u>	NO
Applicant in good standing confirmed:	YES <u>x</u>	NO

REMARKS:

At its meeting of August 28, 1987, Item F-1-f, the Board of Land and Natural Resources approved the issuance of Revocable Permit No. S-6539, to Big Island Broadcasting Company, Ltd., for radio synchronous transmitter towers and accessory building site. At

its meeting of May 8, 1987 (Item H-2), the Board approved Conservation District Use Permit HA-12/15/86-1963, for construction of towers and on November 20, 1987, approved HA-5/27/87-2034, for installation of propane generator.

At its meeting of June 13, 1997, Item D-31, the Land Board approved the cancellation of Revocable Permit S-6539 to Big Island Broadcasting; and Issuance of Revocable Permit No. S-7139, to Big Island Radio for similar purposes.

At its meeting of April 22, 2005, Item D-6, the Board of Land and Natural Resources approved the cancellation of Revocable Permit No. S-7139 to Big Island Radio and issuance of Revocable Permit No. S-7425 to Skynet Hawaii, LLC.

By letter dated, September 9, 2008, Mr. Dan L. Deeb, General Manager of Mahalo Broadcasting, LLC, requested a revocable permit over the subject premises as he purchased the radio station from Skynet Hawaii, LLC. Mr. Deeb claims at time he purchased the station, he was not made aware that the permit was non-transferable and that a new permit would be required.

A revocable permit is being recommended at this time since the facility already exists on the land and that there is no request for a higher or better use of the land. Staff is of the presumption that the current use in a longer-term disposition would be inappropriate considering the current land developments in the area with potentially greater demands for developable lands in the immediate future. The Department has been working collaboratively with the major adjacent landowners, the Department of Hawaiian Home Lands, the County of Hawaii, and various private developers, to construct new mid-level and mauka/makai connector roads in the area. Such connector roads will dramatically improve accessibility that will increase development potentials. It is also assumed that over time the facility will become obsolete. In the interim, the issuance of a revocable permit will enable HDLO to resume the collection of rents and provide permittee time to seek an alternate site for eventual vacancy of the property and/or decrease the size of the permit area.

Proposed use is allowable under county zoning, which is Open.

Mahalo Broadcasting, LLC, has not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

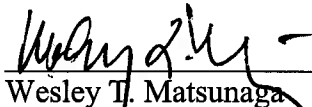
To date, no other requests have been made for the subject property.

OHA had no objections to the request, but noted that the subject land is designated as Section 5(b) Ceded Lands, therefore, it should receive a portion of the revenues generated.

RECOMMENDATION: That the Board:

1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.
2. Authorize the termination of Revocable Permit No. S-7425 to Skynet Hawaii, LLC., effective on a date to be determined later;
3. Authorize the issuance of a revocable permit to Mahalo Broadcasting, LLC, covering the subject area for purposes under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
  - a. The standard terms and conditions of the most current revocable permit form, as may be amended from time to time;
  - b. Review and approval by the Department of the Attorney General; and
  - c. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

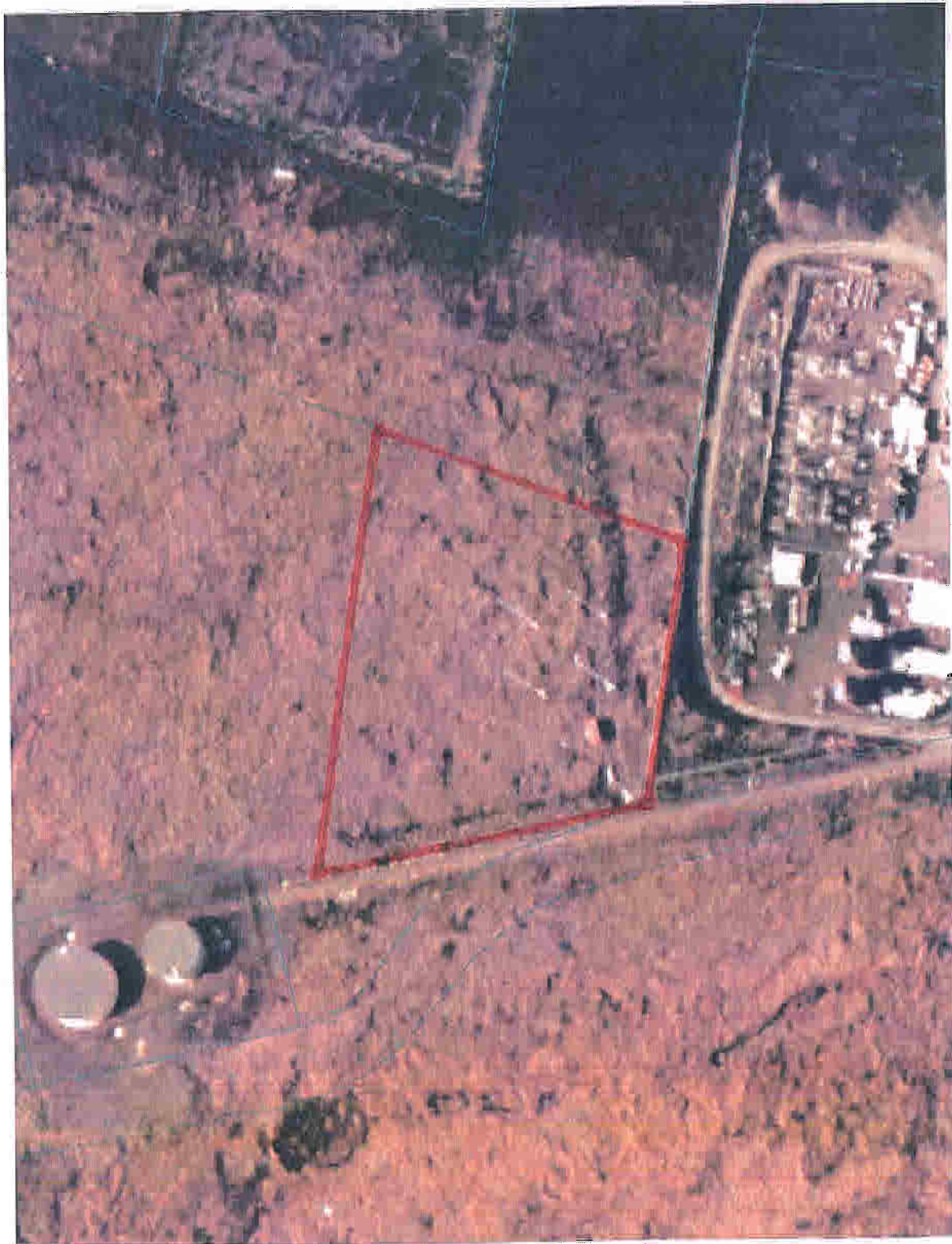
Respectfully Submitted,

  
Wesley T. Matsunaga  
Land Agent

APPROVED FOR SUBMITTAL:

  
Laura H. Thielen, Chairperson





**EXHIBIT A**